

104TH CONGRESS
1ST SESSION

H. R. 633

To amend the Oil Pollution Act of 1990 to clarify the financial responsibility requirements for offshore facilities.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 23, 1995

Mr. HAYES introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

A BILL

To amend the Oil Pollution Act of 1990 to clarify the financial responsibility requirements for offshore facilities.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CLARIFICATION OF FINANCIAL RESPONSIBIL-**
4 **ITY REQUIREMENTS.**

5 Section 1016(c)(1) of the Oil Pollution Act of 1990
6 (33 U.S.C. 2716(c)(1)) is amended to read as follows:

7 “(1) IN GENERAL.—

8 “(A) EVIDENCE OF FINANCIAL RESPON-

9 SIBILITY REQUIRED.—Except as provided in

10 paragraph (2), each responsible party with re-

1 spect to an offshore facility located seaward of
2 the United States coastline that is—

3 “(i) used for drilling for, producing,
4 or processing oil; or

5 “(ii) has the capacity to transport,
6 store, transfer, or otherwise handle more
7 than 1,000 barrels of oil at any one time,
8 shall establish and maintain evidence of finan-
9 cial responsibility in the amount required under
10 subparagraph (B) or (C), as applicable.

11 “(B) AMOUNT REQUIRED, GENERALLY.—
12 Except as provided in subparagraph (C), for
13 purposes of subparagraph (A) the amount of fi-
14 nancial responsibility required is \$35,000,000.

15 “(C) GREATER AMOUNT.—If the Secretary
16 determines that an amount of financial respon-
17 sibility greater than the amount required by
18 subparagraph (B) is appropriate for an offshore
19 facility, based on an assessment of the risk
20 posed by the facility that includes consideration
21 of the relative operational, environmental,
22 human health, and other risks posed by the
23 quantity and quality of oil that is transported,
24 stored, transferred, or otherwise handled by the
25 facility, for purposes of subparagraph (A) the

1 amount of financial responsibility required is
2 equal to the lesser of—

3 “(i) the amount of liability to which
4 the responsible party could be subjected
5 under section 1004(a) with respect to the
6 facility in a case in which the responsible
7 party would be entitled to limit liability
8 under that section, as determined by the
9 Secretary; or

10 “(ii) \$75,000,000.

11 “(D) MULTIPLE FACILITIES.—In a case in
12 which a person is the responsible party for
13 more than one facility subject to this sub-
14 section, evidence of financial responsibility need
15 be established only to meet the maximum liabil-
16 ity applicable to the facility having the greatest
17 maximum liability.”.

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